



FACULTAD DE CIENCIAS ECONÓMICAS  
Y EMPRESARIALES

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Working Papers / Documentos de Trabajo. ISSN: 2255-5471

DT CCEE-1504 Abril 2015

<http://eprints.ucm.es/29715/>

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## PIKETTY MISREADS AUSTEN AND IGNORES SMITH

### Abstract:

Thomas Piketty's best-seller, *Capital in the Twenty-First Century*, utilizes literary references, and particularly Jane Austen's novels, to illustrate the problem of inequality. His analysis is unsatisfactory in two major aspects. First, he presents a distorted picture of Austen's writings. Austen, in fact, recognized that the society of her time was more dynamic and socially mobile than what Piketty suggests. Second, Piketty ignores a thinker as relevant as Adam Smith, which is present in Jane Austen's works through a key principle of his theory of conduct and of economic growth: human beings do not strive to be equal, but to be better.

**Keywords:** Inequality, Capitalism.

## PIKETTY MALINTERPRETA A JANE AUSTIN E IGNORA A ADAM SMITH

### Resumen:

El gran éxito editorial de Thomas Piketty, *El capital en el siglo XXI*, utiliza referencias literarias, y en particular las novelas de Jane Austen, para ilustrar el problema de la desigualdad. Su análisis es insatisfactorio en dos aspectos principales. En primer lugar, presenta una visión distorsionada de los escritos de Austen, quien de hecho reconoció que la sociedad de su tiempo era más dinámica y móvil que lo que sugiere Piketty. En Segundo lugar, Piketty ignora a un pensador tan relevante como Adam Smith, que está presente en las obras de Jane Asten a través de un principio clave de su teoría del comportamiento y del crecimiento económico: los seres humanos no procuran ser iguales, sino mejores. .

**Palabras clave:** Desigualdad, Capitalismo.

**Materia:** Historia del pensamiento económico

**JEL:** B12, D63, E24, N13, P10, Z10.

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**Abril 2015** (fecha de recepción)

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## Piketty misreads Austen and ignores Smith

Carlos Rodríguez Braun

The inclusion in Thomas Piketty's best-seller, *Capital in the Twenty-First Century*, of cultural and particularly literary references has been welcome as an original way of approaching social questions, when thinkers in the Enlightenment were already quoting literature and drama to illustrate their theories of human behavior, as Adam Smith did with the works of Voltaire and Racine. Piketty, however, picks up fiction books to reinforce his main theme, and from the outset he says that nineteenth-century novels are useful to understand relative wealth in those times and ours, and adds that, together with Balzac's,

the novels of Jane Austen...paint striking portraits of the distribution of wealth in Britain...between 1790 and 1830...grasped the hidden contours of wealth and its inevitable implications for the lives of men and women, including their marital strategies and personal hopes and disappointments...depicted the effects of inequality with a verisimilitude and evocative power that no statistical or theoretical analysis can match. (Piketty 2014, 2)

This use of literature has elicited both favourable and unfavourable remarks,<sup>1</sup> but, be that as it may, there is little doubt that novels can be fruitful food for thought in economics, although they are not economic data:

Literature is not evidence of how things have been. It is evidence of how people have written about how things have been. (Skwire and Horwitz, 2014)

This paper criticizes Thomas Piketty's vision of his main English literary source, Jane Austen, and argues that his presentation of how "things have been" is faulty in two major aspects. First, he presents a distorted picture of Austen's writings. Austen, in fact, recognized that the society of her time was much more dynamic and socially mobile than what Piketty suggests. Second, Piketty ignores a thinker as relevant as Adam

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<sup>1</sup> For instance, respectively, Clune 2014 and McCloskey 2014.

Smith, which is present in Jane Austen's works through a key principle of his theory of conduct: human beings do not strive to be equal, but to be better.

### The "Patrimonial" Society

The posthumously published *Persuasion* (1818) is mentioned once, in relation to inheritance, and *Mansfield Park* (1814) a couple of times as an example of investing abroad, but the principal text of Piketty's allusions to Jane Austen is her first published novel of 1811, *Sense and Sensibility*.

In order to prove that the world of Austen is "the classic patrimonial society", Piketty recalls several times the same episode:

The vast Norland estate that John Dashwood inherits in *Sense and Sensibility* is also agricultural land, from which he is quick to expel his half-sisters Elinor and Marianne. (Piketty 2014, 113)

As in the old zero-sum fallacy, wealth appears not to be created, but only inherited and disputed.<sup>2</sup> Accordingly, entailment

was the reason for the misfortune of Elinor and Marianne in *Sense and Sensibility*: the Norland estate passed directly to their father and half-brother, John Dashwood, who decided, after considering the matter with his wife, Fanny, to leave them nothing. The fate of the two sisters is a direct consequence of this sinister conversation. In *Persuasion*, Sir Walter's estate goes directly to his nephew, by-passing his three daughters. Jane Austen, herself disfavored by inheritance and left a spinster along with her sister, knew what she was talking about. (Piketty 2014, 362)

This last remark overlooks the well-known fact that Jane Austen had received in 1802 a marriage proposal by a rich heir, accepted it, but within twenty-four hours broke it off, though she was far from being wealthy (MacDonagh 1991, 39-40). Later she would achieve success as a writer and could probably have been financially

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<sup>2</sup> "Wealth accumulated in the past...is perfectly natural in Austen and Balzac and necessary if there are to be any true feelings among the characters", Piketty 2014, 419.

independent, but she did not live much longer, dying in 1817 at the age of 41. In any case, she was not, and did not want to be, an amateur: “being a professional writer was, apart from her family, more important to her than anything else in her life” (Fergus 2011, 2). So she was, like her heroines, a woman who chose freedom, knew the value of money, dwelling profusely on the subject in her novels, and refused to marry without love.<sup>3</sup> Piketty’s point, nevertheless, is not the novelist’s life but the notion that the world of her writings consists in a large, petrified, and unavoidable inequality.

That there always exists a wealthiest group is undisputable, but how many are the rich? Not very few, actually<sup>4</sup>:

This was a well-defined and fairly numerous social group –a minority, to be sure, but a large enough minority to define the structure of society and sustain a novelistic universe. But it was totally out of reach for anyone content to practice a profession, no matter how well it paid. (Piketty 2014, 411)

Piketty himself qualifies this statement, albeit in a footnote (ibid. page 619, note 37). You could, after all, acquire a certain fortune through your work, and it was not true then, as it is much less true nowadays, that “study leads nowhere” (ibid. page 412). Interestingly, he chooses to focus on *Sense and Sensibility*, a story in which, unlike others of Austen, “not a single developed character...works for his or her income” (MacDonagh 1991, 43). This facilitates Piketty’s theme that wealth is something that you merely have and not earn, and that this situation does not change:

In *Sense and Sensibility*, the kernel of the plot (financial as well as psychological) is established in the first ten pages in the appalling

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<sup>3</sup> “Oh, Lizzy! Do anything rather than marry without affection”, says Jane Bennet to his sister Elizabeth in *Pride and Prejudice*, Austen 1982, henceforth AW, 369. Austen wrote the same to a niece: “Anything is to be preferred or endured rather than marrying without affection”, Fergus 2005, 8. Catherine Morland says in *Northanger Abbey*: “to marry for money I think the wickedest thing in existence”, AW, 911. Cf. also Austen 2003, 21.

<sup>4</sup> Daniel Shuchman (2014) reproaches Piketty for his “almost medieval hostility to the notion that financial capital earns a return” and underlines these contradictory minorities that turn out to be not so numerically insignificant: “While America’s corporate executives are his special *bête noire*, Mr. Piketty is also deeply troubled by the tens of millions of working people –a group he disparagingly calls ‘petits rentiers’– whose income puts them nowhere near the ‘one percent’ but who still have savings, retirement accounts and other assets. That this very large demographic group will get larger, grow wealthier and pass on assets via inheritance is ‘a fairly disturbing form of inequality.’ He laments that it is difficult to ‘correct’ because it involves a broad segment of the population, not a small elite that is easily demonized.”

dialogue between John Dashwood and his wife, Fanny. (Piketty 2014, 413)

It is true that John and Fanny become very rich by inheriting Norland, that brings them 4,000 pounds a year. Other characters live pretty well with half the sum, like Colonel Brandon, and others with even 1,000.<sup>5</sup> The limit appears to be 600 pounds,<sup>6</sup> the annuity received by John Willoughby: “this is no doubt the reason why he soon abandons Marianne”, as if the fact had to do with wealth and not with personal traits. Speaking of personalities, we read once again about the rich Dashwoods:

From the opening pages, John Dashwood’s opulence is contrasted with the comparative poverty of his half-sisters. (ibid.)

The contrast is not mainly economic but personal, because what is very clear from the start is that Fanny and John Dashwood are a couple of avaricious and cruel misers:

By accepting the advice of the odious Fanny and refusing to aid his half-sisters or to share one iota of his immense fortune, despite the promises he made to his father on his deathbed, John Dashwood forces Elinor and Marianne to live mediocre and humiliating lives. Their fate is entirely sealed by the appalling dialogue at the beginning of the book. (ibid., 414)

The sisters’ fate is anything but sealed, as any reader of *Sense and Sensibility* knows, but the dialogue is indeed appalling. We will come back presently to the kind of people Austen depicts, but an important point of Piketty’s thesis is that inequality is not only bad and unsolvable spontaneously, but necessary:

one can read between the lines an argument that without such inequality it would have been impossible for a very small elite to concern themselves with something other than subsistence: extreme inequality is almost a condition for civilization. (ibid., 415)

This is rather strange. He could have stated the notorious, that is, all non-primitive human communities have ranks and are more unequal than the original hordes of

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<sup>5</sup> Copeland 2011, 130-2; Duckworth 1994, 86-7.

<sup>6</sup> The situation of Jane Fairfax, related in *Emma*: “The very few hundred pounds which she inherited from her father making independence impossible”. Consequently, she “had yet her bread to earn”, AW, 691-2. In hearing what James Morland would receive from his father, Mrs. Thorpe remarks in *Northanger Abbey*. “four hundred is but a small income to begin on, indeed”, AW, 915.

humanoids, as the early reflections on society highlighted, and Adam Smith does when he recognizes, and deplores, the disposition to admire the rich and the powerful. Instead, Piketty seems to suggest a sort of conspiracy: someone wishes to fool us with the false idea that if we want civilization we must accept *extreme* inequality, the degree of which is left conveniently imprecise. He repeats:

these nineteenth-century novelists describe a world in which inequality was to a certain extent necessary: if there had not been a sufficiently wealthy minority, no one would have been able to worry about anything other than survival. This view of inequality deserves credit for not describing itself as meritocratic, if nothing else. In a sense, a minority was chosen to live on behalf of everyone else, but no one tried to pretend that this minority was more meritorious or virtuous than the rest. In this world, it was perfectly obvious, moreover, that without a fortune it was impossible to live a dignified life... Modern meritocratic society, especially in the United States, is much harder on the losers, because it seeks to justify domination on the grounds of justice, virtue, and merit, to say nothing of the insufficient productivity of those at the bottom. (ibid., 416)

Here the rhetoric is clearer, because the “merit” of inequality resides in being openly declared, crassly arbitrary, completely unjustified and totally unrelated to any merit whatsoever. Here we have all of Piketty’s ghosts, from his dislike of American capitalism (except F.D.Roosevelt’s interventionism, of course) to the idea that inequality (of private fortunes only, of course)<sup>7</sup> is equivalent to “losing”, to domination and injustice, something that he, like many others for that matter, proclaims but does not prove.

Reckoning the exceptionable way in which Sir Thomas Bertram, the master of Mansfield Park, watches over the family income, being a pioneer that is personally involved in overseas activities, Piketty writes:

In *Mansfield Park*, Fanny’s uncle, Sir Thomas, has to travel out to the West Indies for a year with his eldest son for the purpose of managing his

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<sup>7</sup> That the growth of a State increasingly unequal vis-à-vis its subjects might represent a sort of inconvenience is a notion conspicuously absent in all politically correct discourses on inequality.

affairs and investments. After returning to Mansfield, he is obliged to set out once again for the islands for a period of many months. In the early 1800s it was by no means simple to manage plantations several thousand miles away. Tending to one's wealth was not a tranquil matter of collecting rent on land or interest on government debt. (ibid., 115; cf. also 120, 207)<sup>8</sup>

He says nothing here about slavery, when it is evident that Sir Thomas' travels to Antigua to supervise in person his investments (that were rendering "poor returns", a problem that he finally solves) had to do with slave-trade, that Austen opposed and that is expressly cited, being a subject which Sir Thomas does not like to touch, and meets with a "dead silence" (Austen 1982, henceforth AW, 392, 465, 474).<sup>9</sup> The only mention Piketty makes of slavery, notwithstanding, is to criticize the U.S. and to uphold his dubious thesis that human capital is not capital (Piketty 2014, 158-163).

Sir Thomas' case proves that the following is merely a stereotype of Austen's literature:

For Jane Austen's heroes, the question of work did not arise: all that mattered was the size of one's fortune, whether acquired through inheritance or marriage. (Piketty 2014, 241)

Piketty seems to have misread Austen, whose vision is much more nuanced. He is, by the way, far from being the first to try to present Jane Austen with conflicting or

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<sup>8</sup> If owners had to supervise their estates abroad, it is not clear why they were, as "agrarian capitalists", exempted from such a task at home, and some of Austen's proprietors are actively engaged in managing or overseeing their lands; Michie 2000, 9.

<sup>9</sup> The West Indies are mentioned in other novels as a source of business and investment, like the property of Mr. Smith that Mr. Wentworth helps Mrs. Smith to recover in the last chapter of *Persuasion*, AW, 1097. Cf. also Michie 2000, 16. In the unfinished novel *Sanditon* "West Indians", meaning wealthy settlers, are identified with big spenders (Austen 2003, 176, 22), and Lady Denham complains that they "never think of whether they may not be doing mischief of raising the price of things", to which Mr Parkers objects: "they can only raise the price of consumable articles, by such an extraordinary demand for them and such a diffusion of money among us, as must do us more good than harm. Our butchers and bakers and traders in general cannot get rich without bringing prosperity to us. If they do not gain, our rents must be insecure, and in proportion to their profit must be ours eventually in the increased value of our houses", ibid., 180. Regarding *Mansfield Park*, Roger Sales (1994, 90) notes that Sir Thomas's trip "coincides with the economic disruption that was caused by the continental blockade... The reason why he stays there longer than he originally intended may be connected with the abolition of the slave trade, which became law during the course of his visit". It was abolished in 1807. Austen's works, in spite of superficial appearances, do not disregard the agitated episodes of her time, Butler, 1975, 294; Kirkham 1983, 116-9, 132; Roberts 2005, 334, and footnote 39 *infra*. For a reading of *Northanger Abbey* that stresses the echoes of Pitt's 1799 income tax and particularly of the 1797 Restriction Act see Craig 2010.



even socialist overtones. Almost seventy years ago David Daiches called her “a Marxist before Marx”, and praised her realism and the “ruthless clarity” with which she recorded the “economic realities” of a gloomy world allegedly marked by unchangeable inequalities:

in a society where wealth came mostly from landed property...which descended through the male heir, the fate of a well-brought-up woman was to find a suitable husband, or retire forever into the outer darkness.  
(Daiches 1948, 289; cf. also Duckworth 1994, 28-9)

This vision of a paralyzed society has more to do with the usual anti-liberal propensity to deny any improvement associated with capitalism than with the historical evidence of the nineteenth century. It is also an example of the so-called Spencer’s Law: “The more things improve the louder become the exclamations about their badness” (Rodríguez Braun 2004). It should be added that economists are not excluded, and a remarkable instance is precisely the theory of economic growth. Jane Austen’s contemporaries, the classical economists, witnessed a dynamic process of development but practically all of them, starting from Smith, coincided in the mistake of believing that the process would come to an end. This idea has lingered on, passing through the “secular stagnation” of the 1930s and early 1940s, the “limits to growth” of the 1950s and 1960s, and other more or less somber visions until...Piketty himself, whose theory relies heavily on the prediction that economic growth will be subdued in the future, that is, precisely what it has not been in the past two centuries.

Jane Austen (perhaps because she was not an economist...) did realize that the economy was not stagnating, as in *Mansfield Park* when Fanny Price returns home after seven years with her wealthy relatives: “they were in the environs of Portsmouth while there was yet daylight for Fanny to look around her, and wonder at the new buildings” (AW, 562). Similarly, in *Northanger Abbey* (1818), when Catherine Morland reaches Bath together with the Allens, she “was all eager delight; her eyes were here, there, everywhere, as they approached its fine and striking environs” (AW 858; Austen had lived there from 1801 to 1806, and did not like it much; Kirkham 1983, 61-5; Austen 2003, 16). Economic progress is obvious in her unfinished novel *Sanditon* regarding a

new branch of business, also revealing an increase in social welfare: tourism (Austen 2003, 159-162).<sup>10</sup>

An interesting point with respect to income distribution and prosperity is brought up in *Mansfield Park* by Fanny's mother, grumbling about the increasing trouble of getting good servants, and "it is quite a miracle if one keeps them more than half a year" (AW, 567). It is a symptom of economic progress and the wider alternatives open to workers.<sup>11</sup> These pages also embody another notion: both the economy and individuals can change for the better, because they are not fossilized entities, as Fanny observes contrasting her mother with Lady Bertram, her mother's sister: "that where nature had made so little difference, circumstances should have made so much" (AW, 578).<sup>12</sup>

Austen's novels do not display a world devoid of economic and psychological setbacks, but Piketty and others do not appreciate her subtleties in picturing society, and the labors and morals of men and women. It looks as if they commit the same mistake as some feminists who condemn Austen's endings and her happily-ever-after marriages. Karen Newman addresses this critique, recognizes that Austen's novels "reflect the social and legal limitations that women of the eighteenth and nineteenth centuries faced", and recommends caution:

Her consistent use of economic language to talk about human relations and her many portraits of unsatisfactory marriages prevent us from dismissing her novels as romantic love stories... By reading an Austen novel as a unity with romantic marriage as its final statement, we impose a resolution on her work that makes it conform to the very expectations

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<sup>10</sup> We find there a critique of anti-competitive mercantilism, when the businessman Mr Parker says "our coast is too full", and tries to downplay Brinshore (Austen 2003, 159-60). Sanditon is a "quiet village of no pretensions" at the seaside, but he and his partner, Lady Denham, who owns the land, plan to invest in a "profitable speculation" (p. 162). A game of cards, popular at the end of the eighteenth century, is mentioned: "Speculation" (pp. 144, 148, 217-8); it is mentioned, together with whist, on chapter 25 of *Mansfield Park*.

<sup>11</sup> "What rose were wages on raw labor and especially the great accumulation of human capital, but capital owned by the laborers, not by the truly rich", McCloskey 2014, 85. In characteristic Austenian fashion, cities progress but the heroes praise the country; Edmund Bertram: "We do not look in great cities for our best morality", AW, 423; Fanny: "When I look out on such a night as this, I feel as if there could be neither wickedness nor sorrow in the world; and there certainly would be less of both if the sublimity of Nature were more attended to, and people were carried more out of themselves by contemplating such a scene", AW, 434. Edmund agrees: "they are much to be pitied who have not been taught to feel, in some degree, as you do; who have not, at least, been given a taste for Nature in early life". But Henry Crawford also speaks of "the free air and liberty of the country", AW, 579.

<sup>12</sup> The same happens to Kitty Bennet in *Pride and Prejudice*, AW, 375.

for women and novels that Austen's irony constantly undermines.  
(Newman 1983, 604, 695, 694)<sup>13</sup>

### **Women and men in love, work and unequal wealth**

In Austen's books, besides the clergy and the military, several professions are mentioned to exemplify a rising middle-class, with which Austen sympathizes, and the often bitter reaction against them of the aristocracy and landed gentry: lawyers, physicians, and various tradesmen, some of whom have earned handsome amounts of money by their talents and personal exertions, like Mr. Weston in *Emma* (1815) –where we also have a businesswoman, Mrs. Goddard, who owns and runs a boarding-school, the Coles “of low origin”, Jane Fairfax's unnamed “rich” father, and others, especially the ill-treated tenant farmer Mr. Martin (AW, 621, 713, 851).<sup>14</sup> It is also the case of Mr. Phillips and the respected Mr. Edward Gardiner, Mrs. Bennet's brother, in *Pride and Prejudice* (1813): his character and his wife's are much praised.<sup>15</sup> And *Mansfield Park* confirms that Henry Crawford

wished he had been a William Price, distinguishing himself and working his way to fortune and consequence with so much self-respect and happy ardour, instead of what he was! (AW, 493)

The marine world is often well-regarded by Austen –her two younger brothers had successful naval careers and ended in being Rear-Admirals (Roberts 2005, 332)–, and also is associated with income, but, as in any other profession, although in this case it is related to the State, wealth does not come gratis to a man in the Navy, and he has to distinguish himself *working his way to fortune* (Southam 2005, 375-6). Just as with

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<sup>13</sup> “Austen is not a romantic novelist. She writes novels about romantic entanglements, but she is not often inclined to be sentimental in the pejorative sense”, Dadlez 2009, 14. Cf. also Kirkham 1938, 82, 160.

<sup>14</sup> The pretentious Mrs. Elton despises the upstart Tupmans in *Emma* alluding to a city that was a paradigm of the Industrial Revolution: “They came from Birmingham, which is not a place to promise much, you know, Mr. Weston. One has not great hopes from Birmingham. I always say there is something direful in the sound”, AW, 766.

<sup>15</sup> “Mr. Gardiner was a sensible, gentlemanlike man, greatly superior to his sister, as well by nature as education. The Netherfield ladies would have had difficulty in believing that a man who lived by trade, and within view of his own warehouses, could have been so well-bred and agreeable”, AW, 255. Duckworth (1994, 151) compares him with Mr. Robert Martin in *Emma*. Cf. also Mansell, 1973, 91-2. In *Pride and Prejudice* we have also Sir William Lucas, risen to knighthood, but who was “formerly in trade in [the fictitious town of] Meryton”, AW, 194.

young midshipman William Price, so in *Persuasion* with the recently retired Admiral Croft and Captain Frederick Wentworth (Auerbach 1972, 117, 120).

Prudence and economy are always extolled in Austen's books, and living beyond one's income is always censured, as in the case of Mr. Willoughby in *Sense and Sensibility*, who will be mentioned in a moment, or Miss Churchill in *Emma* (AW, 618), or Sir Walter Elliot and Mr. and Mrs. Smith in *Persuasion*, this last couple through the bad influence of Mr. William Elliot,<sup>16</sup> or Lydia Bennet and Charles Wickham in *Pride and Prejudice*, or Mr. Charles Bingley's sisters in this same novel, that incidentally gives another example of wealth created by trade:

They [Caroline and Louisa Bingley] were in fact very fine ladies...but proud and conceited. They...had a fortune of twenty thousand pounds, were in the habit of spending more than they ought, and of associating with people of rank, and were therefore in every respect entitled to think well of themselves, and meanly of others. They were of a respectable family in the north of England; a circumstance more deeply impressed on their memories than that their brother's fortune and their own had been acquired by trade. (AW, 193)<sup>17</sup>

Austen's denunciations fall strongly against snobbish and vain aristocrats like Sir Walter Elliot, obsessively perusing his family's entry in the *Baronetage*, with too many mirrors to marvel at his own looks, but who are unable to increase or even to maintain their patrimony, and spend more than they collect, "growing dreadfully in debt", as in *Persuasion* (AW, 978): he has to retrench and leave and rent out the family estate, Kellynch Hall, to Admiral Croft.<sup>18</sup>

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<sup>16</sup> "Mr. Elliot had led his friend [Mr. Smith] into expenses much beyond his fortune. Mrs. Smith did not want to take blame to herself, and was most tender of throwing any on her husband; but Anne could collect that their income had never been equal to their style of living, and that from the first there had been a great deal of general and joint extravagance. From his wife's account of him she could discern Mr. Smith to have been a man of warm feelings, easy temper, careless habits, and not strong understanding...And the Smiths accordingly had been ruined", AW, 1076.

<sup>17</sup> Sir William Lucas, another person enriched by trade ("formerly in trade in Meryton, where he had made a tolerable fortune") but not proud of having been so, is also ridiculed, AW, 194.

<sup>18</sup> Debts had to be honoured, as the strict Lady Russell says to Elizabeth Elliot: "We must be serious and decided; for after all, the person who has contracted debts must pay them; and though a great deal is due to the feelings of the gentleman, and the head of a house, like your father, there is still more due to the character of an honest man", AW, 980. Benditt observes, however: "not all of Austen's characters regard promises as inviolate", Benditt 2003, 246. We find another example of debt linked to irresponsible behavior in *Mansfield Park*, when Sir Thomas Bertram disapproves his eldest son for his extravagances:

As regards women, Shannon Chamberlain simplifies Austen by thus reducing their problem: “her most charming heroines are actually fortune hunters”, and stating what we supposedly think of Elinor and Marianne Dashwood: “Why don’t they just go out and get jobs, instead of looking for rich men, after all?” (Chamberlain 2014).

It is not true that they were all fortune hunters: the most charming heroines wish to marry for love, and succeed in doing so, although they approve richness, as to a certain degree does almost everyone else, a sentiment which can debase ethics and has been at all times much regretted by moralists, including Adam Smith in *The Theory of Moral Sentiments*. Smith says that, as we noted before, there is no real society without ranks and order (not meaning that the same individuals or specific groups should always occupy them), and this requires that wealth should be admirable, which is natural and useful, but is “at the same time, the great and most universal cause of the corruption of our moral sentiments” (Smith 1759, 61; see the Introduction 17-18; cf. also Newman 1983, 697).<sup>19</sup> Austen, as Smith, “fears that economic considerations will outweigh and overcome moral considerations in human conduct” (Duckworth 1994, 88).<sup>20</sup>

Additionally, progress made possible for an increasing group of women not do what nearly all of them, like nearly all of men, had always done, i.e. “in the sweat of thy face shalt thou eat bread”. This does not mean that the opportunity of not working and

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“Tom listened with some shame and some sorrow; but escaping as quickly as possible, could soon with cheerful selfishness reflect that he had not been half so much in debt as some of his friends”, AW, 389. In *Pride and Prejudice* we are informed that the wrongdoer George Wickham “had left many debts behind him, which Mr. Darcy afterwards discharged”, AW, 314.

<sup>19</sup> Desire for rank and wealth may be not too intense as to corrupt absolutely, but in such cases Austen does not fail to criticize it, for example, by way of mockery, as in *Pride and Prejudice*, with the outbursts of the social-climber Mrs. Bennet to Elizabeth on hearing of her engagement to Mr. Darcy: “How rich and how great you will be! What pin-money, what jewels, what carriages you will have! ... I am so pleased –so happy. Such a charming man! –so handsome! So tall!”, AW, 371. This echoes her same expression before, when knowing about the engagement of Jane to the wealthy Mr. Bingley: “I am so happy!”, AW, 355. She mentions carriages not by chance, MacDonagh notes: “Perhaps the greatest single divide for middle-class families was whether or not they kept a carriage”; and recalls *Sense and Sensibility*: “Mrs. Dashwood’s social descent on her husband’s death was marked straightaway by the sale of his horses, and then his carriage”, MacDonagh 1991, 59; cf. AW, 14. The signal of Mrs. Weston’s “domestic comfort” in *Emma* is “a carriage of her own”, AW, 620. Miss Hawkins’s elder sister “was very well married, to a gentleman in a great way, near Bristol, who kept two carriages!”, AW, 701. On Miss Hawkins’s rich brother: “his carriages were the pride of him”, AW, 746. And in *Northanger Abbey* Isabella Thorpe looks forward to having via marriage “a carriage at her command”, AW, 910. In *The Watsons* we read: “The Edwards were people of fortune who lived in town and kept their coach; the Watsons inhabited a village about three miles distant, were poor and had no close carriage”, Austen 2003, 107.

<sup>20</sup> From her our own days to ours, notwithstanding, not to go back to Virgil’s *auri sacra fames*, we have been witnesses to the possibilities of justifying encroachments upon individual liberties under the romantic umbrella of dramatic Wordsworthian complaints that “everything has been put up to market”, Batho 1933, 175.

benefitting from their husbands' means was plain sailing, as the always realistic Austen states on the first page of *Mansfield Park*:

But there certainly are not so many men of large fortune in the world as there are pretty women to deserve them. (AW, 379)

So money considerations are to be included in women's right to choose their lives, which they do in Austen's novels, albeit not always rightly.<sup>21</sup> But the option of labor is always open and, although rarely then (as well as later) a preferred choice for a lady, it would be preferred by some if the alternative was a marriage without love.<sup>22</sup> This is precisely the case of Miss Frederica Vernon, the good-natured and unhappy daughter of the villainous protagonist of Austen's epistolary novel *Lady Susan*, an early work that was not published until 1871. In Letter 21, Miss Vernon writes to Mr. Reginald de Courcy complaining about the forced marriage that her mother is plotting between herself and Sir James Martin, and adds: "I would rather work for my bread than marry him"; and Emma Watson, in the unfinished novel *The Watsons*, says: "I would rather be a teacher at a school (and I can think of nothing worse) than marry a man I did not like" (Austen 2003, 74, 110).

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<sup>21</sup> Michael Chwe, who presents Austen as a resourceful game theorist, has this to say: "Strategic thinking is not the same as selfishness: Fanny Dashwood is both selfish and a strategic blunderer, for example. Strategic thinking is not the same as moralizing about what one 'should' do: Mary Bennet quotes maxims of proper conduct but is useless strategically. Strategic thinking is not the same as having economic values such as frugality and thrift: Mrs. Norris exemplifies both economizing and strategic stupidity. Strategic thinking is not the same thing as being good at artificially constructed games such as card games: Henry Crawford likes to win card games but in real life cannot choose between Fanny Price and the married Maria Rushworth and fails disastrously", Chwe 2013, 6. Virginia Woolf thought that Austen's mind, like Shakespeare's, "consumed all impediments... without hate, without bitterness, without fear, without protest, without preaching", Duckworth 1994, xxvi.

<sup>22</sup> In *Sense and Sensibility*, when the possibility of a match between Edward and Elinor is first mentioned, the following is said about her mother, Mrs. Dashwood: "Some mothers might have encouraged the intimacy from motives of interest, for Edward Ferrars was the eldest son of a man who had died very rich; and some might have repressed it from motives of prudence, for, except a trifling sum, the whole of his fortune depended on the will of his mother. But Mrs. Dashwood was alike uninfluenced by either consideration. It was enough for her that he appeared to be amiable, that he loved her daughter, and that Elinor returned the partiality. It was contrary to every doctrine of hers that difference of fortune should keep any couple asunder who were attracted by resemblance of disposition", AW, 9. This reluctance to consider any material dimension, however, is not a realistic standpoint: as is the case with Marianne, Mrs. Dashwood "had yet to learn" to govern her strong feelings, AW, 5. We will come back to this when we get to Austen, Adam Smith and the importance of moderation. Regarding job opportunities, an educated young woman as Jane Fairfax in *Emma* might dislike working as a governess, but she is nevertheless aware that "there are advertising offices, and that applying to them I should have no doubt of very soon meeting with something that would do", AW 761, cf. also Kirkham 1983, 132, 142-3.

In *Sense and Sensibility*, after Edward Ferrars declares his modest objectives in life, Marianne says:

"What have wealth or grandeur to do with happiness?"

"Grandeur has but little," said Elinor, "but wealth has much to do with it."

"Elinor, for shame!" said Marianne, "money can only give happiness where there is nothing else to give it. Beyond a competence, it can afford no real satisfaction, as far as mere self is concerned." (AW, 46)

But the same Marianne that so lectures the practical Elinor would like to have hunters, and when Edward remarks that not everybody hunts she blushes in replying: "But most people do." By the way, practical considerations are treated with disdain by Piketty when he recalls the "one difficulty" finally faced by Edward and Elinor: "they only wanted something to live upon" (AW, 179; Piketty 2014, 414). But all couples make such considerations, and love is pondered with estimations about "the comforts of life."

And when in *Northanger Abbey* Isabella Thorpe assures "my wishes are so moderate that the smallest income in nature would be enough for me. Where people are really attached, poverty itself is wealth" and his brother John adds "Let me only have the girl I like, say I, with a comfortable house over my head, and what care I for all the rest? Fortune is nothing" (AW, 909), their cunning, manipulative and boastful characters are sufficient to make the reader beware of their untruthfulness.

Ambivalence regarding money's role does not preclude acknowledging the moral failure of losing love for money's sake, as John Willoughby explains when he opens his heart to Elinor in *Sense and Sensibility*; he is a fortune hunter indeed; he wants to live well, spend quite a lot, and not to work:

"My fortune was never large, and I had always been expensive, always in the habit of associating with people of better income than myself. Every year since my coming of age, or even before, I believe, had added to my debts...it had been for some time my intention to re-establish my circumstances by marrying a woman of fortune. To attach myself to your

sister, therefore, was not a thing to be thought of...To avoid a comparative poverty, which her affection and her society would have deprived of all its horrors, I have, by raising myself to affluence, lost everything that could make it a blessing.” (AW, 155)

Austen’s heroines are not calculating hags, and when some female characters are, like Fanny Dashwood in *Sense and Sensibility* or Mrs. Norris in *Mansfield Park*, the reader unmistakably perceives their nastiness (Trepanier 2014, 63-4). What women are, and the best ones at that, is “rational creatures”, as Elizabeth Bennet claims to be in *Pride and Prejudice* (AW, 240). Mrs. Croft says to her husband in *Persuasion*:

“But I hate to hear you talking so like a fine gentleman, and as if women were all fine ladies, instead of rational creatures. We none of us expect to be in smooth water all our days.” (AW, 1008)

The term “rational” is used in Austen’s works regarding female characters, and it indicates the opposite of the behavior of women who are not independent and are obsessively chasing possible husbands, as in *Pride and Prejudice*, when Mr. Bennet speaks derisively to Elizabeth about his younger daughters: “your very silly sisters” (AW, 299; Kirkham 1983, 4-5).

On the other hand, labor is admired, even lyrically, as in *Persuasion*: “the ploughs at work, and the fresh-made path spoke the farmer...meaning to have spring again” (AW, 1015). And substantial changes in a purportedly immovable unequal society are celebrated: Anne Elliot recognizes that the sensible, professional Crofts are more deserving than her own blue-blooded family:

She could not but in conscience feel that they were gone who deserved not to stay, and that Kellynch Hall had passed into better hands than its owners. (AW, 1034)<sup>23</sup>

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<sup>23</sup> “The landed world of the gentry is shown to be pretty much unredeemable and decaying”, Auerbach 1972, 122. “Landlords did not engorge the national product, contrary to what Ricardo confidently predicted. Indeed the share of land rents in national (and world) income fell heavily from the moment Ricardo claimed it would steadily rise. The outcome resembles that from Malthus, whose prediction of population overwhelming the food supply was falsified nearly from the moment he claimed it would happen”, McCloskey 2014, 85.



While work is respected, when one sees the opposite argument, as when in the same *Persuasion* Mrs. Clay proclaims that only the people who do not work at all “hold the blessings of health and a good appearance to the utmost” (AW, 984), it is clear that Austen is showing a capacity of being ironic and funny.

The critical point is not to be unequal pursuing money, but the way through which one tries to get it. The evil of William Elliot was not that he was interested in money (“Do not you? Do not we all?” asks Miss Mary Crawford in *Mansfield Park*, AW, 482) but, as Mrs. Smith tells Anne: “Money, money was all that he wanted” (AW, 1072), she says in *Persuasion* referring to William Elliot, who did not love and was “very unkind” (AW, 1077) to his first wife: money was truly *all* he wanted.

In other cases it is possible to solve the problem of wealth and virtue: in her texts if in the commercial realm individuals are drawn to wealth, in their personal lives they may choose virtue...Through the marriage of Edmund Bertram and Fanny Price in *Mansfield Park*, as through the marriage between Fitzwilliam Darcy and Elizabeth Bennet in *Pride and Prejudice*, Austen unites virtue and wealth without conflating the two. (Michie 2000, 11-12, 17-18)<sup>24</sup>

So there is ambivalence in inequality according to Austen, but this has nothing to do with any kind of social sickness: it refers to individuals, because the search for money can be beneficial or detrimental to our characters. A person can be rich and dishonest and selfish like John and Fanny Dashwood, but also rich and generous, like the reader learns (late) of Mr. Darcy in *Pride and Prejudice*: “It was acknowledged, however, that he was a liberal man, and did much good among the poor” (AW, 314).<sup>25</sup>

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<sup>24</sup> “In order to show how good conduct can be achieved by those who feel the pleasures of money, Austen must tell the story not of how a poor individual becomes virtuous but of how a rich one does. This is the story she tells in *Emma*, by making the wealthy woman not a marginalized or negative figure against whom virtue is defined but the heroine of her story”, Michie 2000, 19.

<sup>25</sup> Also, people can have prejudices and a good nature, like Lady Russell in *Persuasion*: “She may be blind to the faults of those who possess Rank, but she is not insensitive to the virtues of the lowly born”, Zietlow 1965, 183. About helping the poor, Emma Wodehouse, with Mr. Elton and Harriet Smith in mind, thinks something in line with the question of redistribution and incentives, somewhat like the “less eligibility principle” that the classical economists would consider some years later in their debates about the Poor Law reform: “There are people, who the more you do for them, the less they will do for themselves”, *Emma*, AW, 657. Due to her pervasive snobbish manipulations and “social arrogance”, however, “there is a suspicion that this task [helping the poor, in her particular case] is done without a sincere sense of obligation”, Duckworth, 1994, 150. In *Sanditon* Lady Denham remarks: “It would be only encouraging our servants and the poor to fancy themselves ill, if there was a doctor at hand”, Austen, 2003, 181.

The question of disentangling the ambivalence is not an easy one, and this is what the novelist underlines:

Austen's moral concern is not really with instruction in rectitude... She is concerned with the difficulty, in real life, of clearly understanding both ourselves and others. (Benditt 2003, 246)<sup>26</sup>

Gilbert Ryle distinguishes between two camps of moralists, the bi-polar Calvinists and the Aristotelians, who see people "differing from one another in degree and not in kind", and situates Austen in this second camp. This realistic and moderate approach is typical of her books, where we can find a vice that can be proper to a certain extent, as Darcy's pride, and a virtue that can be excessive, as the firmness of character: Anne reflects in *Persuasion* that any virtue, "like all other qualities of the mind, should have its proportions and limits" (Ryle 1968, 295-7, 289; AW, 1031).

### **Austen, Smith, inequality, and back to Piketty**

From what has been said before, from the novelist's qualified tribute to moderation and realism, labor and responsibility, and her balanced visions on inequality through money and wealth, it will not surprise the reader that Jane Austen has been associated with moralists such as Shaftesbury, Hume, and particularly Adam Smith.<sup>27</sup> Thus, when in *Mansfield Park* Miss Crawford speaks of "the true London maxim, that everything is to be got with money" (AW, 407), Elsie Michie comments: "she echoes Smith's argument that self-interest is a universal drive" (Michie 2000, 15).

But shades and degrees are present both in the novelist and in the Scottish philosopher. Self-interest is undoubtedly a universal drive, but it can be exaggerated. The manner in which Austen reveals this is, again, through personal features: she who asks rhetorically the apparently sensible question about whether we are not all of us interested in money is Miss Crawford, who is far from being ethically impeccable, and

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<sup>26</sup> "Austen's characters are not stick-figures, nor are they caricatures...her characters are sometimes inconsistent, not because Austen is inconsistent, as some of her critics have thought, but because life, as she represents it, is too difficult to be easily subsumed under a set of clear and firm guidelines...She favours an ethical approach that emphasizes character and the virtues, emphasizing aspects of character, particularly self-knowledge, spirit within limits, proper pride, sympathy, and intelligence and education, that she believes will serve us, and others, well", Benditt, 2003, 247-8.

<sup>27</sup> Gallop 1999, 109; Ryle 1968, 298-301; Dadlez 2009; Knox-Shaw 2005, 348, 354.

can be overtly cynical: “Selfishness must always be forgiven you know, because there is no hope of a cure” (AW, 411). Neither is morally commendable her brother Henry, who states that the most interesting point in the world is “how to make money; how to turn a good income into a better” (AW, 488). On the other hand, one is tempted to fancy that the way Miss Crawford is judged by the heroine Fanny Price (“She had only learnt to think nothing of consequence but money”, AW, 592) is perhaps too severe.<sup>28</sup>

Another example of Austen’s realistic irony is, again, how she uses a typically Smithian rhetoric in *Sense and Sensibility* to sum up how a vulgar and cunning character like Lucy Steele can practice self-love only to her own benefit:

The whole of Lucy's behaviour in the affair, and the prosperity which crowned it, therefore, may be held forth as a most encouraging instance of what an earnest, an unceasing attention to self-interest, however its progress may be apparently obstructed, will do in securing every advantage of fortune, with no other sacrifice than that of time and conscience. (AW, 182)<sup>29</sup>

What is indisputable is that self-command is fundamental for Austen. She uses this expression approvingly in all her novels, and also the word propriety. Sometimes she puts both words in the same sentence, as in *Sense and Sensibility* when Elinor “did venture to suggest the propriety of some self-command to Marianne” (AW, 27) or in *Emma*: “a habit of self-command in you, a consideration of what is your duty, an attention to propriety” (AW, 744). The meaning and the words are the ones used repeatedly by Smith in *The Theory of Moral Sentiments*: self-command in the title of Section III, Part VI, and propriety in the title of Part I and its three sections.

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<sup>28</sup> Note that money was all William Elliot *wanted*, while in the case of Mary Crawford it was all she had learnt to *think of consequence*. An example of Austen’s nuances on the matter is the dialogue between Edmund Bertram and Miss Crawford in *Mansfield Park*, when she opens: “A large income is the best recipe for happiness I ever heard of”. The discussion leaves the message that the basic point is not wealth per se but its dimension and means to acquire it. “You intend to be *very* rich?” says Edmund, and this is when she gives the answer quoted above: “To be sure. Do not you? Do not we all?”. Edmund replies that his intentions are “not to be poor...by moderation and economy, and bringing down your wants to your income, *and all that*.” Miss Crawford concludes: “Be honest and poor, by all means, but I shall not envy you; I do not much *think* I shall even respect you. I have a *much greater* respect for those that are *honest and rich*”, AW, 482, emphasis added.

<sup>29</sup> Noting Lucy’s fate and also that John Dashwood still possesses the family estate at the end of the book, “and is managing it well”, Darrel Mansell concludes: “In Jane Austen’s novels, calculating and prudent characters like these do inherit more than their share of the earth”, Mansell 1973, 74-5.

Here is how Austen compares the Dashwood sisters in *Sense and Sensibility*:

Elinor, this eldest daughter had an excellent heart; her disposition was affectionate, and her feelings were strong; but *she knew how to govern them*: it was a knowledge which her mother had yet to learn; and which one of her sisters had resolved never to be taught. Marianne's abilities were, in many respects, quite equal to Elinor's. She was sensible and clever; but eager in everything: her sorrows, her joys, *could have no moderation*. She was generous, amiable, interesting: *she was everything but prudent*. (AW, 5, emphasis added.)

Austen in fact dislikes impetuous characters even in heroes, as Captain Wentworth (Zietlow 1965, 186). All perceptions are relative and open to question, as Elizabeth replies to Darcy in *Pride and Prejudice*: “The far and the near must be relative, and depend on many varying circumstances” (AW, 274).

This weighing-scale, proportional, Smithian view has been linked to Aristotle, who “also stressed that a moderate degree of material well-being is both necessary and sufficient for achieving happiness...Aristotle’s recommendation of the *practical* intellect is central to all Austen’s novels” (Gallop 1999, 97, 99). The Socratic notion of self-knowledge is crucial too: “For Jane Austen self-knowledge and self-control crown the moral hierarchy” (Weinsheimer 1972, 415),<sup>30</sup> but always with moderation, and taking society into account, which is typically Smithian:

We discover again that for Jane Austen an individual’s moral duty is necessarily to society, properly understood, and that any retreat into a subjective morality is misguided. (Duckworth 1994, 118)

From her earliest juvenilia to her last unfinished novel, Austen was engaged with the culture of sensibility. Recognizing its dangers and potential hypocrisy, she tried to revise it to accord with a sense of individual responsibility, an admiration of tranquility, and the possibility of community...[Marianne Dashwood] measures sensibility according to

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<sup>30</sup> “I never knew myself”, confesses an ashamed Elizabeth Bennet in *Pride and Prejudice*, AW, 288. And Maria and Julia Bertram were “entirely deficient in the less common acquirements of self-knowledge, generosity and humility”, in *Mansfield Park*, AW, 387.

lack of self-control, missing the fact not only that Deep feeling can (and *must*, in Austen's world) coexist with reason and 'exertion', but also that self-control can be an expression of feeling. (Brodey 1999, 113 117)

Another aspect of self-command that links Austen and Smith is the subdued presence of religion, though she, daughter of a Reverend and sister of two clergymen, and whose novels include several characters members of the church, was a pious woman, and he a deist. The main moral feature of the social instincts everyone has, the idea that opens *The Theory of Moral Sentiments*, is that the optimum lies in checks from the inside; accordingly, both share the "natural view" of man and its link to political liberalism.<sup>31</sup>

Her thought points in a Smithian direction, but did Jane Austen actually read Adam Smith? She does not quote him, nor any other moralist, but Kenneth Moler showed in 1967 that she probably did: the distinction that Mary Bennet draws between vanity and pride in *Pride and Prejudice* (AW, 195) is remarkably similar to the one made by Smith in *The Theory of Moral Sentiments* (Smith 1759, 255-262). Christel Fricke goes further:

Not only does Jane Austen, in her *Pride and Prejudice*, provide a detailed example of a Smithian sympathetic process and its various mechanisms; she also, and this is my second claim, used Smith's accounts of prudence, excessive self-estimation, pride, and vanity in *TMS* VI. iii. as a source of inspiration for creating most of the characters of *Pride and Prejudice*. (Fricke, 2014, 344)<sup>32</sup>

Austen is also Smithian in a fundamental point regarding inequality that Piketty ignores: human beings do not wish to be equal, but quite the opposite. Accordingly, any theory who places the "problem" of inequality at the top of social considerations must

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<sup>31</sup> Austen was a "committed conservative" or "Tory radical", says Butler, 1975, 165. Some socialists tried to use her as a model against Margaret Thatcher's policies, but the latter "are closer to the laissez-faire creed of classical liberalism than to conservatism as it was understood and expressed in Austen's period by such writers as Wordsworth, Southey, and Coleridge", Duckworth, 1994, xii. Cf. also Kirkham 1983, 83.

<sup>32</sup> An association between Smith's notion of sympathy and *Northanger Abbey* is noted in Duckworth, 1994, 98-9.

disregard human nature, and there is no social science that can be confidently built upon so weak foundations.

At the beginning of the present essay we noted that *Persuasion* is mentioned only once in Piketty's book, with regard to the inheritance laws that make Sir Walter Elliot's nephew his direct heir, by-passing his daughters. Now, primogeniture and also male-preference over women were debated in Austen's times. In *The Wealth of Nations* Smith considers the pros and cons of primogeniture, but finds the former only in the field of opportunity in the past and completely unjustified in his own days. His conclusion is clear: entails were "absurd" and primogeniture was "contrary to the real interest of a numerous family" (Smith 1776, 384).<sup>33</sup>

Why did Piketty select only Sir Walter's inheritance? We see in *Persuasion*, as in other novels by Austen, a varied picture of English society and economy: why not mention other aspects? Because inheritance transmits Piketty's themes: wealth is not created, production does not grow, and what counts is inequality in its distribution.<sup>34</sup>

The novel has several important aspects related to inequality. To begin, the decline of the landed aristocracy, the paradigm of an unequal society, described in reprehensible tones as ostentatious and thoughtless spenders. They are not always so, and Austen writes about prudent and hard-working landowners, like Mr. George Knightley in *Emma*. In *Persuasion*, however, we see how and why aristocrats are displaced by a different kind of people, who are not idle baronets but men in the professional Navy, and successful ones at that: Admiral Croft fought in Trafalgar and "acquired a very handsome fortune" after his career in Europe and the East Indies (AW, 984). The foolish Sir Walter typically despises the man who will actually succeed him in Kellynch Hall's premises, and perhaps eventually its ownership, but he recognizes the Navy's role in social mobility:<sup>35</sup> "the means of bringing persons of obscure birth into undue distinction, and raising men to honours which their fathers and grandfathers never dreamt of... I take it for granted that his face is about as orange as the cuffs and capes of my livery." And, indeed, we read that Croft is "a little weatherbeaten", but a

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<sup>33</sup> The same ideas appear in *Lectures on Jurisprudence*: "The right of primogeniture... method of succession so contrary to nature, to reason, and to justice, was occasioned by the nature of the feudall government", Smith 1896, 49. And entails were "absurd", *ibid.* 69, 468.

<sup>34</sup> "Because Piketty is obsessed with inheritance, moreover, he goes to downplay entrepreneurial profit, the trade-tested betterment that has made the poor rich", McCloskey 2014, 87-88.

<sup>35</sup> Sales 1994, 172.

gentleman. This he sure is, in his manners and style, and although he makes little changes when he starts living in the house, he symbolically removes Sir Walter's mirrors from his dressing-room: "Such a number of looking-glasses! Oh Lord! There was no getting away from one's self" (AW, 1035).<sup>36</sup>

Even if not for reasons of economic recklessness, aristocrats that oppose social mobility, particularly when it is represented by a woman who marries a rich husband for love, are drawn with vigorous derogatory strokes in Austen's novels. This is very clear in the case of Lady Catherine de Bourgh's nasty remarks to Elizabeth Bennet, trying to prevent her engagement with his nephew Mr. Darcy in Chapter 56 of *Pride and Prejudice*.

If these proofs of the acknowledgment and celebration of social change were not enough, *Persuasion*, as we have already seen, condemns the love of money in exclusion of everything else, praises effort in all ranks, even the modest agricultural work, and presents in agreeable colors an intellectually independent woman who claims for her sex the new status of "rational creatures" instead of "fine ladies". Moreover, speaking about women and equality, the heroine marries for love a self-made man.<sup>37</sup> Finally, everything suggests that the story displayed to the reader prefigures a more equal world: in the future there will probably be more Crofts and Wentworths than Sir Walters, and much more *nouveau riche* if tradesmen and entrepreneurs and workers of the rest of the professions are included, as they are in other novels by Austen.<sup>38</sup>

So if Thomas Piketty uses only the inheritance episode it is not because the novel does not say anything else worth-mentioning in the subject of inequality. The truth is quite the opposite, although perhaps not convenient to Piketty's purpose of

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<sup>36</sup> Compared with her previous books, *Persuasion* and *Mansfield Park* contain "much more social criticism...the idea that a gentleman ought to be socially useful does not appear at all in *Northanger Abbey* or *Sense and Sensibility*, whereas it is crucial in all of the last three novels". This had to do with religion: "in her last years, when touched by Evangelical influence, Jane Austen was very ready to find fault with the aristocracy. The Evangelicals were dedicated critics of moral backsliding among the governing classes: their campaigns against worldliness, triviality, and irresponsibility in high life were central to their effort", Butler 1975, 163-4, 284. They also supported, like Austen, the abolition of slavery, Ellis 2005, 422.

<sup>37</sup> Captain Wentworth was enriched by his success in the Napoleonic Wars, like Admiral Croft, AW, 1010. See also Selwyn 2011, 150. On the difficulties of being genuinely self-made in the Navy cf. McMaster 2011, 117-8.

<sup>38</sup> Cf. note 4 *supra*.

painting a lugubrious community where nothing changes and privileges are eternally revolving around the same fortunate and undeserving class.

This picture is not precise with respect to historical facts and does not represent faithfully what Jane Austen herself wrote. Her novels, instead, adjust much better to a notable feature of human nature, much insisted upon by Adam Smith: in their normal behavior, women and men do not strive to be equal, but to be better. Smith introduces this idea in *The Theory of Moral Sentiments*:

That great purpose of human life which we call bettering our condition.  
(Smith 1759, 50)

And develops it in *The Wealth of Nation*, in a chapter with a title that might have called Piketty's attention: "Of the Accumulation of Capital":

But the principles which prompts to save, is the desire of bettering our condition, a desire which, though generally calm and dispassionate, comes with us from the womb, and never leaves us till we go into the grave. (Smith 1776, 341)

And the idea is repeated in the same chapter:

The uniform, constant, and uninterrupted effort of every man to better his condition, the principle from which publick and national, as well as private opulence is originally derived, is frequently powerful enough to maintain the natural progress of things toward improvement, in spite both of the extravagance of government, and of the greater error of administration. Like the unknown principle of animal life, it frequently restores health and vigour to the constitution, in spite, not only of the disease, but of the absurd prescriptions of the doctor. (Smith 1776, 343)

In the midst of all the exactions of government, this capital has been silently and gradually accumulated by the private frugality and good conduct of individuals, by their universal, continual, and uninterrupted effort to better their own condition. It is this effort, protected by law and allowed by liberty to exert itself in the manner that is most advantageous, which has maintained the progress of England towards opulence and



improvement in almost all former times, and which, it is to be hoped, will do so in all future times. (Smith 1776, 345)<sup>39</sup>

This is not contradictory with the appreciation of equality, but only in the classical liberal sense, the only equality compatible with personal liberty, i.e. equality *before* the law, an equality that permits outcomes that can give rise to all kinds of differences between persons, inequalities that –in the absence of violence and fraud– are just, precisely because no one has interfered in their rights and their transactions.

An economist can always object to these ideas taking refuge in what we could call the Hobbesian Moment of economic theory, and argue that mainstream economics has proved beyond any reasonable doubt that what people want and do uniformly and voluntarily can have such pernicious effects that they should not be allowed to do it. Luckily enough, we have the beneficent instrument to prevent market failures, to wit, the State. Yet, whatever one may think about this deep-rooted fantasy, that it is not my present purpose to expose, it has nothing to do with Adam Smith, who did not have anything like the neoclassical framework in mind, did not think of the market as a purely resource-allocating mechanism, did not draw practical and clear-cut conclusions stemming from the comparison between the real world and an ideal model of perfection in economic matters, or any other matter related to human beings, and was fully aware of the possible socially undesirable outcomes of individual endeavours. Let us note in passing that one of the most ridiculous pretensions of modern economics is the idea that the need for money regulations stemming from externalities is a neoclassical discovery, when both types of externalities regarding money, negative and positive, are discussed in *The Wealth of Nations* (Smith 1776, 320-5), a book that opens wide alleys to justify interventions in the market, as is well-known at least since Jacob Viner pointed it out as early as in 1927.

Adam Smith, then, just like Jane Austen after him, did not believe in a perfect world, nor in perfect human beings, and both of them assigned the utmost importance to institutions, and warned against the risk of trusting too much in human knowledge and

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<sup>39</sup> He comes back to the same idea later on: “The natural effort of every individual to better his condition, when suffered to exert itself with freedom and security, is so powerful a principle, that it is alone, and without any assistance, not only capable of carrying on the society to wealth and prosperity, but of surmounting a hundred impertinent obstructions with which the folly of human laws too often encumbers its operations; though the effect of these obstructions is always more or less either to encroach upon its freedom, or to diminish its security”, Smith 1776, 540; cf. also 674.

capabilities when addressing collective problems. This the basic reproach of Smith to several classes of market interferences in his economics book, and to the “man of system” in *The Theory of Moral Sentiments*: “He seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess board” (Smith 1759, 234).

This realistic and careful viewpoint is illustrated contrariwise by *Emma*, the story of whom we could label a “woman of system”. Emma Wodehouse, always ready “to think a little too well of herself” (AW, 613), reflects the dangers of pretending to re-organize other people’s lives according to our whims and arrogance, forgetting social responsibilities. Just like the fatal conceit of interventionists in the political realm, Emma’s maneuvers have undesirable and unintended consequences, far removed from the promotion of welfare and peace. Duckworth (1994, 34-5) links Austen with Burke, who is close to Smith in his idea of amending institutions but never using politics or laws for turning them upside down.<sup>40</sup>

So what we see in Jane Austen is a kind of reasoning that values institutions not as obstacles but as safeguards to economic and personal development. The same could be said of moral sentiments and traditional values, in line with Adam Smith and in contrast with what the future held in store, from Mill’s essay on Coleridge onwards. And the English novelist suggests, and the Scottish economist demonstrates, that inequality purposes are moving forces of individual and social welfare.

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<sup>40</sup> A similar idea of Burke: “But in this, as in most questions of state, there is a middle. There is something else than the mere alternative of absolute destruction, or unreformed existence... A disposition to preserve, and an ability to improve, taken together, would be my standard of a statesman. Everything else is vulgar in the conception, perilous in the execution”, quoted in Duckworth, 1994, 115. See footnote 30 *supra*. Speaking about the reluctance to abrupt changes, Lane notes: “Revolutionary France had not even the initial appeal for Jane Austen that it had for her contemporary, Wordsworth. In her view the stability of the English political, social and religious institutions offered the individual the safest degree of freedom within an ordered framework by which to live a satisfying and worthwhile life, without impinging on the rights of others”, Lane 1995, 1. There are few explicit references to politics in Austen’s novels, but we know that MPs do not live at the expense of taxpayers and that ministers of state are or should be “cautious”: she seems to follow her own words: “From politics, it was an easy step to silence”, AW, 482, 837, 905.

Piketty runs in the opposite direction, because, apart from other economic and political considerations that lay outside the scope of the present paper, he fails to understand how people actually conduct themselves, to use Alfred Marshall's words, in "the ordinary business of life". This is why his analysis of how markets operate is so unsatisfactory, and why he actually does not explain what are the genuine, not fictitious, dangers of inequality and why should they be opposed and neutralized. Not only does he ignore the strong propensity to better our own condition, but, as so many economists and other social and political thinkers, of our time and of a more or less remote past, he believes that this liberal principle produces harmful results that require active political intervention, in the form of a new large tax on wealth to achieve equality *after* the law and so prevent individual liberty from generating unspeakable catastrophes:

There will always be a fundamentally subjective and psychological dimension to inequality, which inevitably gives rise to political conflict.  
(Piketty 2014, 2)

But, to use an Austen favourite word, this is a prejudice.

## **Conclusion**

Mark Carney, the Governor of the Bank of England, held a press conference on 24 July 2013 at Chawton House, Hampshire, that was the home of Edward, Jane Austen's brother, and is to-day a study center; in the village of Chawton stands also the Jane Austen's House Museum in the place where the celebrated English writer lived her last eight years. During the press conference, Mr. Carney announced that Jane Austen will appear on a forthcoming banknote: the next new character after Sir Winston Churchill.

Perhaps it is to be expected that her already large popularity will increase even more by being the new face of the £ 10 note. I can only conclude these pages wishing that economists, among others, read her thoroughly, and do the same with Adam Smith. The happy result of this effort, that Thomas Piketty unfortunately has not undertaken, will then be deeper and more realistic theories of human behavior, that recognize the dynamism of human societies, driven by a powerful impulse of individual women and men striving not to be equal but to be unequal, better, and free.

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